of consent to continued possession of the equipment: and, as already stated, in their Lordships' opinion it clearly does.

Accordingly their Lordships are of the opinion that this appeal must be dismissed, with costs, and they advise His Majesty the Yang di-Pertuan Agong accordingly.

Appeal dismissed.

Solicitors: *Nabarro Nathanson; Coward Chance.*

SINGAPORE REPORTS

PEOPLE'S PARK DEVELOPMENT PTE. LTD. v. TRU-MIX CONCRETE (PTE.) LTD.

[C.A. (Wee Chong Jin C.J., Lai & Chua JJ.) October 5, 1981]

[Singapore — Civil Appeal No. 72 of 1978]

Practice and Procedure — Interest — Whether court had power to award interest — Whether there was a debt within meaning of paragraph 7 of First Schedule, Supreme Court of Judicature Act (Cap. 15) — Civil Law Act (Cap. 30), s. 9 — Supreme Court of Judicature Act (Cap. 15), s. 18(2).

The appellants (defendants in the action) appealed against the order of the High Court ordering the appellants to pay to the respondents interest on the sum of $61,861.03 at the rate of 8% per annum from the date of the filing of the writ to the date of settlement on October 25, 1978.

The respondents claimed against the appellants for the sum of $161,861.03 for goods sold and delivered to the appellants. A sum of $100,000 had already been paid by the appellants leaving a balance of $61,861.03. The appellants then filed a defence and counterclaim on June 27, 1975. On October 25, 1978, the day fixed for the hearing of the action, the appellants paid up the sum of $61,861.03. The parties agreed to withdraw their claim and counterclaim respectively and also agreed that costs be taxed and paid by the appellants. However, they could not reach a settlement as to the question of payment of interest on the $61,861.03 which the respondents wanted. The parties proceeded with the hearing on that issue alone before the learned judge.

Held, dismissing the appeal: (1) the court had no power to award interest to the respondents under section 9 of the Civil Law Act (Cap. 30); however, there was clearly a debt within the meaning of paragraph 7 of the First Schedule to the Supreme Court of Judicature Act (Cap. 15);

(2) when the learned judge was asked to decide on the respondents' claim for interest the action had not been discontinued and the respondents had not yet withdrawn their claims which included a prayer for "any other reliefs which this Honourable Court shall deem fit."

Case referred to:-

(1) *The "Medina Princess"* [1962] 2 L1.R. 17.

CIVIL APPEAL.

P. Balachandran for the appellants.

K.K. Tang for the respondents.

Chua J. (delivering the judgment of the Court): The appellants (defendants in the action) appeal against the Order of the High Court ordering the appellants to pay to the respondents interest on the sum of $61,861.03 at the rate of 8% per annum from the date of the filing of the writ to the date of settlement on October 25, 1978.

The respondents are suppliers of ready-mix concrete and they sold and delivered to the appellants ready-mix concrete to the value of $161,861.03. This sum had remained outstanding since December 1974, and after repeated demands the appellants paid the respondents on January 20, 1975, a sum of $50,000 leaving a balance of $111,861.03 still due and owing.

On March 25, 1975, the respondents took out a writ against the appellants claiming the sum of $111,861.03 and costs. On March 29, 1975, the appellants paid to the respondents the sum of $50,000 leaving a balance of $61,861.03. The appellants filed a defence and counterclaim on June 27, 1975.

On October 25, 1978, the day fixed for the hearing of the action, the appellants paid up the sum of $61,861.03 and the parties agreed to withdraw their claim and counterclaim respectively, and that costs be taxed and paid by the appellants, but they could not agree on the question of interest which the respondents asked for on the $61,861.03.

On the day of the hearing counsel for the parties appeared before the judge in chambers and informed the learned judge that the parties had settled the matter but there was the question whether or not interest should be paid on the claim of $61,861.03 and they asked the learned judge to make a decision on the matter. After hearing both counsel the learned judge ordered the appellants to pay the respondents interest on the $61,861.03 at the rate of 8% per annum from the date of the filing of the writ to the date of the settlement and further ordered that the costs of the action be taxed and paid by the appellants.

The main contention of the appellants is that the learned judge erred in law in holding that interest was payable by the appellants on the sum claimed by the respondents as section 9 of the Civil Law Act (Cap. 30) gives the learned judge jurisdiction to award interest only in any proceedings tried in any court of record for the recovery of any debt or damages.

Section 9 reads:

"In any proceedings tried in any court of record for the recovery of any debt or damages, the court may, if it thinks fit, order that there shall be included in the sum for which judgment is given interest at such rate as it thinks fit on the whole or any part of the debt or damages for the whole or any part of the period between the date when the cause of action arose and the date of the judgment:

Provided that nothing in this section —

....
...."

Counsel for the appellants says that as the respondents' and the appellants' claim and defence and counterclaim, respectively, were withdrawn by consent there was no trial for the recovery of any debt or damages within the meaning of section 9.

In support of his argument he cited the case of *The "Medina Princess"*.[1] In that case action was commenced by plaintiff seamen against the defendant owners of The "Medina Princess" for unpaid wages. Defence was ordered to be delivered. No defence was delivered but the wages were paid. The plaintiffs asked for interest on the wages and moved the court for judgment for interest upon the sums claimed for wages. It was contended on behalf of the defendants that it was not a case under which interest should be paid under section 3(1) of the Law Reform (Miscellaneous Provisions) Act, 1934, as that provided that interest "shall be included in the sum for which judgment is given." The claims had been paid. No judgment had ever been obtained, and the court was not empowered to award interest on debts unless it had already given judgment upon them. It was held (Hewson J.) that by the Law Reform (Miscellaneous Provisions) Act, 1934, section 3(1) the court had no power to order interest to be paid on sums which had already been paid and which had not been the subject of its judgment.

Section 9 of the Civil Law Act (Cap. 30) is *in pari materia* with section 3(1) of the Law Reform (Miscellaneous Provisions) Act, 1934. We respectfully agree with the judgment of Hewson J. in *The "Medina Princess"*. We are of the view that in the present case the court had no power to award interest to the respondents under section 9.

That, however, is not the end of the matter. The High Court has been given additional powers by section 18(2) of the Supreme Court of Judicature Act (Cap. 15).

Such additional powers are set out in the First Schedule to the Act and paragraph 7 of the First Schedule reads: —

"Power to direct interest to be paid on debts, including judgment debts, or on sums found due on taking accounts between parties, or on sums found due and unpaid by receivers or other persons liable to account to the court."

Counsel for the appellants contends that "debt" does not mean any debt but must refer to debt which is the subject matter of legal proceedings. In the present case the debt had been paid and there was no debt on which the learned judge could order interest to be paid.

Let us examine what actually took place on the day fixed for the hearing of the action. On the appellants paying to the respondents $61,861.03, the parties agreed to withdraw their claim and counterclaim respectively and also agreed that the costs be taxed and paid by the appellants. But, as the parties could not reach a settlement as to the question of payment of interest on the $61,861.03 which the respondents wanted, the parties proceeded with the hearing on that issue alone before the learned judge. In our opinion there was clearly a debt within the meaning of paragraph 7 of the First Schedule to the Act. When the learned judge was asked to decide on the respondents' claim for interest the action had not been discontinued and the respondents had not yet withdrawn their claims which included a prayer for "any other reliefs which this Honourable Court shall deem fit."

Accordingly, the appeal is dismissed with costs.

Appeal dismissed.

Solicitors: *Lee, Woo & Partners; Tang Tan & Partners.*

THE CHIEF ASSESSOR, SINGAPORE v. NATIONAL SHIPBREAKERS PTE. LTD.

[O.C.J. (Chua J.) September 5, 1980]

[Singapore — Originating Motion No. 60 of 1979]

Revenue Law — Property tax — Method of valuation — Contractor's basis — Whether contractor's basis is s. 2(b)(i) of Property Tax Act — How contractor's basis should be applied — Property Tax Act (Cap. 144), s. 2(b)(i).

The appellant appealed against the decision of the Valuation Review Board which ordered that the annual value of the subject property No. 23 Tanjong Kling Road for the years 1971 to 1973 be fixed at $69,360. The said property is a shipbreaking yard belonging to the respondents. It is an industrial property situated at Jurong Industrial Estate and stands on 337,370 sq. ft. of land leased from the Jurong Town